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BY EMAIL

Dear Mr Mungall,

Thank you for the opportunity to comment on Ofgem's *'Impact Assessment of industry's proposals (CMP213) to change the electricity transmission charging methodology'*. We welcome the opportunity to engage in the development of such a strategic process and hope our comments are useful in progressing the impact assessment. We broadly support the objectives behind the review, in particular to address the issue that areas with high concentrations of low carbon generation are currently less able to efficiently access the grid.

The RSPB views climate change as the single greatest threat facing people and wildlife, and as such we support the widespread deployment of renewables, in line with the UK and Scotland's ambitious renewable energy targets. We recognise that in order to deliver the required level of renewables, we need expansion and strengthening of the grid network to accommodate increased flows of renewable energy. We recognise that increased renewable generation, or recognised potential for generation in more remote and rural areas of the UK, including the islands, has created a need for increased interconnection, which can play a part in transitioning to a low carbon economy.

However, it is vital that we collectively ensure this is done sensitively and sustainably so developments are delivered in the right places, meeting the urgent need to reduce greenhouse gas emissions and tackle climate change, without damaging our most important places for wildlife. It is (and is likely to become increasingly) important that due consideration is given to the potential consequences of significantly increasing interconnection capacity to sensitive areas.

We have limited our consultation response to Question 3 regarding sustainability impacts.

Question 3: Do you agree with our assessment of the options in terms of the strategic and sustainability impacts? In particular, are there any impacts that we have not identified?

We welcome the statement in the report that *"all CMP213 proposals should further promote sustainable development"*. However, **RSPB Scotland does not agree with the assessment of sustainability impacts in its current form**, as it is inadequate in its consideration of potential impacts on wildlife and biodiversity and other environmental assets.

The report aims to assess *"interactions of the energy system with wider environmental assets, such as biodiversity, landscape, land use, water, air quality and soils, and the ability of the energy system to adapt to a changing climate."* (p.42) It goes on, however, to identify only two potential interactions of the energy system with wider environmental assets.

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Firstly, it states that “*onshore infrastructure can often have a greater impact on the environment, in particular visual amenity, than offshore developments*”. This is an unhelpful and incorrect generalisation and lacks justification. Offshore infrastructure has the potential, if designed and sited poorly, to significantly damage marine wildlife and ecosystems, in the same way as onshore infrastructure.

Secondly, the report states that “*onshore wind in northern GB is likely to gain the most as a result of the more cost reflective tariffs and hence this could have an impact on visual amenity, proposed by CMP213. However, we do not consider the impact of charges alone to be significant since planning procedures and strike prices are likely to be the key drivers in this area.*”

Increased interconnection capacity could result in increased interest in, and applications for development in important areas for wildlife in northern GB, including sensitive habitats such as blanket bog, and sites with nationally and internationally important populations of birds protected by European law. If updates to transmission charging mechanisms result in increased proposals in those areas (or expansions to existing developments), it will be crucial that the planning system responds appropriately. Increased interconnection capacity should not create undue pressure to consent damaging developments, or inappropriate expansions to existing sites. There will be a need to carefully assess proposals, including smaller scale proposals and their cumulative impacts, to ensure they do not harm the environment.

It should also be noted that important habitats such as peatlands, which can be highly sensitive to development, also provide valuable ecosystem services including regulation of water quality. The impact assessment currently fails to recognise the full range of environmental assets which it sets out to consider. Increased pressure and impacts on sensitive ecosystems could fall under an ‘unintended consequence’ of the proposal and as such should receive due consideration by Ofgem in its analysis of impacts.

We are unclear as to the rationale for stating that impacts of charges alone will not be significant, given the preferred proposal is stated to narrow the divergence of generation tariffs between north and south of the country, and according to our understanding this divergence is frequently cited as a barrier to development by industry stakeholders. Whilst it is understood that it is largely the role of planning and regulation processes to protect environmental interests rather than the charging regime, perverse consequences must be considered and mitigated where possible, and the basis for claiming the impact will be insignificant in this context is unclear.

We also would also like to raise a general concern about the use of the terms “sustainable development” and “sustainability” throughout the document. Both terms are used apparently interchangeably with “low carbon” in places in the report, implying that the interpretation of sustainability and sustainable development is limited to, or considered primarily as a reference to reducing GHG emissions. Whilst addressing GHG emissions is an important part of sustainable development and sustainability, these are well defined, broadly understood terms which encompass a much broader range of environmental considerations including those described on page 42 of the report. It is recommended that Ofgem reviews the use of this terminology, using ‘low carbon’ where reduction in GHG emissions is the focus, and using ‘sustainability’ and ‘sustainable development’ where protection of other environmental assets is also incorporated.

I hope you find these comments useful and please do not hesitate to contact me for any further information or discussion.

Yours sincerely,

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